



EXHIBIT 3
DATE 1.25.07
HB 327

TO: Chairman Lake and Members of the House Taxation Committee

FROM: AARP Montana

RE: Support of HB 327, Deferred property tax system for low income disabled or elderly persons

AARP is a non-profit, non-partisan membership organization with 153,000 members in Montana. Property tax is the single most burdensome tax for many limited-income and older people. We support HB 327 because it provides property tax relief in an equitable manner to low- and moderate income homeowners.

By passing this legislation, Montana will join twenty-five other states, including Idaho, Washington and Oregon, and the District of Columbia in enacting a property tax deferral program. *(see attached handout)*

AARP recognizes that seniors want to remain in their homes as they age. HB 327 will protect low-income seniors, who find themselves unable to keep up with property taxes, from losing their homes.

HB 327 will not cause a permanent revenue loss to the state. The deferred taxes will ultimately be paid, with interest, when the property is sold or transferred. This program, by enabling seniors and disabled to pay what they are able, will be a step toward an equitable property tax system.

Please support HB 327.